


## CHAPTER 1: SECTION 1

### INTRODUCTION

TO:                   Controllors and Chief Fiscal Officers of State Departments and  
                          Higher Education Institutions and Boards

FROM:             Arthur L. Barnhart   
                          State Controller

DATE:              March 22, 2002

SUBJECT:         *FY01-02 Closing/FY02-03 Opening Procedures*

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The major change again this year was the implementation of GASB 34 and 35 beginning July 1, 2001. Last year we began by opening the books under GASB 34/35. This year marks our first closing under the new reporting model. Chapter 9 dealing specifically with GASB 34/35 issues remains; however, many of the topics have also been integrated throughout the manual.

The “Highlights” section following this letter summarizes changes and improvements for this fiscal year. I would encourage each agency to make full use of the “Agency Planning Guidelines and Checklist” and the “Checklist for GASB 34/35 Implementation” to ensure each of the tasks appropriate to your agency are specifically assigned. I have also included for your reference a copy of this year’s risk letter from the Office of the State Auditor. Success in this increasingly complex process can only be assured when each of us assumes personal responsibility for our portion of the open/close process. Each of you should be proud of the successful closings/openings in prior years. I look forward to a successful closing/opening for this year.

I sincerely appreciate everyone’s suggestions and efforts to improve this process every year. Your input is essential to continue improving the open/close process. I also thank the COFRS help line staff for training sessions on INFOPAC and document direct that have assisted state agencies in securing the reports they believe are necessary at fiscal year end. This year the Financial Data Warehouse is an added tool for use during the open/close process.

These procedures are available on our website at <http://www.sco.state.co.us>. In addition to the procedures, many other items that were formerly available in this manual are now on our website where updated versions may be maintained to more easily reflect changes.

Best wishes for a successful close. I know with the hiring freeze and other budget constraints, closing will put a lot of pressure on your existing staff. Thank you for your continued cooperation and support; this year more than ever, I sincerely appreciate it.



## STATE OF COLORADO

## OFFICE OF THE STATE AUDITOR

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To: Agency Controllers

From: Joanne Hill

Topic: Preliminary Risk Areas for Fiscal Year June 30, 2002 Audit

Date: March 7, 2002

At the request of the State Controller's Office, we are advising agencies of some preliminary risk areas for the Fiscal Year 2002 Statewide Single Audit. As always, we will be following up on prior year findings, performing normal audit tests as defined by generally accepted auditing standards, reviewing compliance with selected statutes, and addressing other agency-specific key financial items.

The risk areas identified for Fiscal Year 2002 include, but are not limited to, the following:

- **GASB 34** - This area will have increased significance during the first year of its implementation. We will continue to work with the State Controller's Office and other state agencies in reviewing their GASB 34 implementation efforts.
- **Year-end cutoff procedures** - As in prior years, we will review cutoff issues due to the importance in the budgetary process. A major concern we have noted is with agencies booking payables beyond the cutoff date.
- **Federal awards** - It is essential for those agencies receiving federal funds to comply with the requirements in OMB Circular A-133. We continue to note problems during the audits including insufficient subrecipient monitoring, incorrect eligibility determinations, unallowable costs being charged to federal programs, and timeliness of cash draws.
- **Information System**- As agencies update information systems, new opportunities and challenges arise in relation to the operations and financial reporting. We have identified issues in the prior year and will continue our review of agency systems to determine any potential issues.
- **Audit Adjustments** - With the recent introduction of SAS (Statement on Auditing Standards) No. 89, Audit Adjustments, a greater level of communication between our office and all state agencies will be required. This standard puts more responsibility on "management" for the passage of immaterial adjustments. We still continue to stress the importance of communicating all adjustments arising from the audit to the State Controller's Office and the Office of the State Auditor. Communication is necessary to ensure that the same adjustments are made to both stand-alone statements and the State's financial statements.

- **Interest on Custodial Funds** - A number of state agencies use custodial funds to record monies held on behalf of others. These monies are deposited with Treasury as part of the pooled cash and interest is earned on the deposits. We have noted that a portion of custodial funds are not receiving the interest earned; instead the interest is being deposited into the State's General Fund.
- **Reconciliations** - Reconciliations between supporting documentation and the State's accounting system can aid agencies in identifying potential errors or concerns. We have noted in preceding audits that agencies do not perform reconciliations to ensure that errors are found and resolved in a timely manner.
- **Analytical Review** - The use of analytical reviews can aid in identifying potential problems or concerns. Our office regularly uses such techniques to identify fluctuations in revenue and expenditures. We will review agencies' use of analytical reviews to identify and prevent errors and irregularities.
- **Indirect Costs** - Accounting for indirect cost recoveries is as important as accounting for other revenue received. We want to stress the importance of proper booking of recoveries and any subsequent expenditure of these funds. We have noted in preceding audits that agencies did not obtain spending authority for indirect cost recoveries, prior to expending the funds; thus, circumventing the budgetary process.

**FY01-02 CLOSING/FY02-03 OPENING HIGHLIGHTS**

The following items are brought to your attention, as they are either a substantial change from last year's instructions or a new area of emphasis. Review of these highlights should not be used as a substitute for a close review of the text of these instructions.

1. This is the first year we are closing under the new reporting model instituted by GASB 34/35. Chapter 9 still contains the GASB issues; however, they have been integrated throughout the Fiscal Procedures Manual (FPM), as well.
2. One page 22 there is a "Checklist for Implementation of GASB 34/35". Use it!
3. Funds are no longer smart-coded. The fund category group classifications are located in Chapter 3, Section 3.17 and in the funds list in the chart of accounts.
4. The accounts to classify accounts receivable remain the same; the listing has been moved from Chapter 5 to Chapter 3, Section 3.4. However, the accounts receivable turnaround report will no longer be used to develop the State Controller's accounts receivable report. Instead the report will be prepared directly from COFRS and CCS data.
5. For some agencies the implementation of GASB Interpretation #6 as required in GASB 34/35 means a change in the year end accrual of retirement payouts. (See Chapter 3, Section 3.13.)
6. Compensated absence liabilities for governmental funds are recorded in fund 471. Information necessary to calculate the compensated absences accruals will be distributed via an alert as soon as it becomes available. Remember that the state's PERA contribution percentage was reduced in this fiscal year to 9.9%.
7. Higher Education has many reporting changes for implementation of GASB 34/35 that are interspersed throughout this manual including the information on the Exhibit J Data report and an updated Exhibit J.
8. There are new exhibits included in Chapter 3, Section 5: S—Changes in Short-Term Financing, T—Segment Reporting, U—Other Disclosures and V—Higher Education Cash Flow Statement—Supplemental Information.
9. There are changes to existing exhibits: C—Schedule of Changes in Longer-Term Liabilities, D1—Debt Service Requirements to Maturity (Governmental and Internal Service Funds), D2—Debt Service Requirements to Maturity (Business Type Activities), J—Financial Statement Reconciliation and N—Schedule of Investments.
10. The Interagency Receivable/Payable confirmation form eliminates the use of many-to-many fund relationships. (See Chapter 5, Section 5.28.)
11. There is a new addition, Chapter 5, Section 1 that lists all of the SCO diagnostic reports available on COFRS, the purpose of the report, the fields and how to read it.
12. Agencies that receive federal funds from pass-through entities are reminded of their special obligation to report audit information to those entities. (See Chapter 1, Section 3.5.1.)

13. Chart of Accounts Change – Numerous changes have been made to the chart of accounts. Changes to the chart of accounts are noted in **bold** type. See Appendix 3. The chart of accounts is also available on our website.
  
14. An overexpenditure must be approved or an appropriation transfer authorized prior to releasing warrants. Approval of overexpenditures and transfers are subject to various statewide dollar limits and other criteria. In the event that these limits are reached, departments may have to seek legislative action for the following fiscal year prior to releasing warrants. (See Chapter 3, Section 1.)

### 1.1 Agency Planning Guidelines For FY01-02 Closing And FY02-03 Opening Activities

To ensure a successful close, adequate planning and scheduling of year end activities are critical to agencies. It is imperative that agencies plan and complete critical tasks early in the year and monitor year end activities closely. The following information is designed to give agencies helpful suggestions for developing plans to complete both current year closing and new year opening activities.

- 1) Identify critical dates.
- 2) Identify critical tasks for new year opening activities:
  - a) Review new year preliminary Long Bill for APP2 and annotation changes. Remember that there may be revenue source codes for transfers that have changed because of GASB 34/35.
  - b) Review all outstanding encumbrances: Are they valid for the new year?
  - c) Add new APP2 records.
  - d) Request changes/deletions of incorrect or unneeded APP2's by your field accounting specialist.
  - e) Prepare Long Bill booking worksheet.
  - f) Process AP's to record FY02-03 Long Bill using the book process.
  - g) Prepare expense/revenue budget worksheets.
  - h) Process expense (EB) and revenue (RB) budget documents.
  - i) Process FY02-03 encumbrance documents as needed.
  - j) Review all capital construction appropriations for completion of CCCAS forms.
  - k) Review agency-defined coding structures, sub-object, sub-revenue, GBL's, organization and program codes. Be sure to make all GVAL entries that are needed so that EPS encumbrances rolled into the new year on RO documents will not reject.
  - l) Identify special and supplemental bills with appropriations or spending authority that must be recorded.
  - m) Identify potential appropriation rollforwards.
  - n) Make needed changes to the REJA, REJV, and REPV tables.
  - o) Identify new codes needed by the agency for implementation of GASB 34/35.
- 3) Identify critical tasks for year end closing activities:
  - a) Clear documents off SUSF.
  - b) Clear out invalid encumbrances.
  - c) Record all augmenting revenue and receivables including distribution of indirect cost recoveries.
  - d) Take the fixed asset inventory and record adjustments. Be sure depreciation expense and accumulated depreciation are recorded appropriately.
  - e) Calculate and record compensated absences liability.
  - f) Clear (pay) outstanding invoices; record payables.
  - g) Review balance sheet accounts for accuracy.
  - h) Confirm intra/interfund payables/receivables in excess of \$1,000.
  - i) Record and process all cash receipts by the Treasurer's closing date.
  - j) Insure that all transfer expenditures and revenues are in balance.
  - k) Review proper classification of revenues for TABOR reporting purposes.
  - l) Review year end diagnostic reports.
  - m) Clear all default and clearing accounts.
  - n) Prepare all required exhibits; if you use your own forms, be sure that the exhibit letter and agency name are on each form. Use e-mail or electronic submission whenever possible.
  - o) Submit agency/department financial statements if required.

- p) Be sure all entries for GASB 34/35 implementation have been made.
- 4) Every task should have an individual assigned the responsibility for its completion.
- 5) Identify timelines for completion of critical tasks:
  - a) Identify start dates for all tasks to assure that they are completed by the deadlines.
  - b) Identify checkpoints on the status of tasks to assure staying on schedule.
- 6) Ensure that internal cutoff dates and deadlines are established early enough to allow sufficient lead time for meeting statewide deadlines.
  - a) Cut off issuance of POs according to the dates established by purchasing.
  - b) Cut off acceptance of PV requests prior to system cutoff date.
  - c) Cut off central services, correctional industries orders well before the IT cutoff date; remember that State Forms is using the EPS inventory system for its billings.
- 7) Establish a regular process for monitoring the status of tasks:
  - a) Schedule regular status meeting to report progress.
  - b) Monitor and review reports and on-line tables to verify status and progress.
  - c) Use the checklist to record status and completion of tasks and deadlines
- 8) Establish a process to address problems as they arise.
- 9) Review your plan and make necessary changes for next year.

## 1.2 Agency Planning Checklist FY01-02 Closing/FY02-03 Opening

<i>Due Date</i>	<i>Date Completed</i>	<i>Task</i>	<i>Ref. Page #</i>
<i>Italics = closing; regular type = opening.</i>			
Beginning March 4	_____	Changes and deletions to APP2 submitted to field accounting specialist for approval.	53
Beginning March 4	_____	Submit requests to COFRS for FY02-03 automatic document numbering prefix identifiers (ADNT table entries).	37
April 12	_____	<i>Beginning accumulated depreciation entries recorded in appropriate fund.</i>	295
April 19	_____	<i>Requisitions for items not on state contract or price agreement must be received by agency purchasing contacts --- delivery by June 30.</i>	n/a
May 10	_____	<i>Purchase requisitions for items on state contract/price agreement received by appropriate purchasing agent -- - delivery by June 30.</i>	n/a
June 1	_____	<i>Expired warrant selection process runs and populates EXPW table for agency review and posting of federal portion.</i>	103
June 10	_____	<i>Bank confirmations sent to confirm all agency bank accounts.</i>	176
June 17	_____	<i>Requests to cancel or reissue aged warrants from the EAP18R report submitted to SCO for processing prior to the expired warrant purge.</i>	103
Beginning June 17	_____	Review EAP03R for Aged Open Encumbrances Report for identification and posting of a lapse indicator to PORL.	45
June 21	_____	Target date to have all revenue receiving appropriations active in COFRS and to notify the Department of Revenue of the coding string.	61
June 21	_____	Deadline for agencies' 3rd level approval on AP transactions needed to record FY02-03 Long Bill.	58
June 27	_____	<i>Requests submitted to SCO for the cancellation of FY01-02 warrants. No FY01-02 warrants will be canceled after June 27; they will be canceled in FY02-03.</i>	103
June 28	_____	<i>Physical inventory of consumable goods completed on or before this date.</i>	91
June 28	_____	<i>Petty cash and change funds counted.</i>	188



<i>Due Date</i>	<i>Date Completed</i>	<i>Task</i>	<i>Ref. Page #</i>
<i>Italics = closing; regular type = opening.</i>			
June 28	_____	<i>Cash deposited with the State Treasurer's Office prior to the cutoff (walk-in cutoff is 2:00 pm). Wire or electronic transfer to the treasurer by close of business.</i>	89
June 28	_____	<i>All inventory module transactions must be cleared by the close of business.</i>	92
July 1 – July 31	_____	New year encumbrances begin processing from the SUSF file.	44
July 5	_____	<i>Initiation of IT's required for period 12 close.</i>	82
July 9	_____	<i>Last FY01-02 biweekly payroll posted.</i>	88
July 9	_____	<i>IT's with higher education processed.</i>	82
July 11	_____	<i>CR documents completed and approved by the State Treasurer.</i>	89
July 12	_____	<i>IT's with non higher education processed.</i>	81
July 12 – 26	_____	<i>Initiate intra/interfund receivable/payable confirmations and refer disputed amounts to your field accounting specialist as early as possible in this period.</i>	190
July 12	_____	PO's accepted on COFRS for encumbrances to automatically roll.	43
July 12	_____	PORA table reviewed for roll/lapse and changes made to account codes prior to encumbrances automatically rolling to FY02-03. <b>Appropriation codes for rollforwards should have \$0 if necessary so that the code will accept the rollforward encumbrance.</b>	43
July 12	_____	<i>All balances from balance sheet 2751 cleared.</i>	103
July 12	_____	<i>Deadline for booking FY01-02 Supplemental Bills and FY01-02 Special Bills with expenditure authorizations.</i>	n/a
July 12	_____	<i>Clear all default and clearing accounts. These include the following balance sheet accounts: 1583-1599, 2510, 2520 and 2751. (Target date)</i>	98
July 12	_____	<i>Rollforward requests submitted to SCO.</i>	75
July 12	_____	<i>All intra/interfund receivable/payable issues related to Central Services billings resolved with Audrey Aultman, (phone 303-866-2433).</i>	190

<i>Due Date</i>	<i>Date Completed</i>	<i>Task</i>	<i>Ref. Page #</i>
<i>Italics = closing; regular type = opening.</i>			
July 12	_____	<i>Budget transfer and overexpenditure requests submitted to SCO.</i>	67
July 19	_____	<i>Capital Construction CCCAS form for reversions submitted to SCO.</i>	208
July 19	_____	Capital Construction CCCAS forms to extend spending authority for expiring projects submitted to SCO, with the appropriate AP document signed screen print attached.	209
July 24	_____	<i>All Highway Users Tax Fund Certifications submitted to the State Treasurer by noon.</i>	n/a
July 24	_____	<i>All Tobacco Cash Fund Certifications submitted to the State Treasurer by noon.</i>	n/a
July 26	_____	<i>Last day to confirm intra/interfund receivables/payables.</i>	190
July 31	_____	<i>Compensated absences accruals must be completed by the close of period 13. The <b>PERA percent is 9.9%</b> for FY01-02; Medicare is included in the annual leave accrual.</i>	89
July 31	_____	<i>Period 13 of FY01-02 closes for agency input.</i>	n/a
August 5	_____	<i>Letters due for approved overexpenditures.</i>	67
August 16	_____	CCCAS forms to reestablish capital construction continuing appropriation spending authority submitted to SCO.	215
August 21	_____	<i>Variance analysis responses submitted to SCO.</i>	102
August 21	_____	<i>Agency exhibit listing and completed exhibits A1, A2, B, C, D, E, F1, F2, G, I, J, L, M, N, O,P, Q and R submitted to SCO.</i>	125
August 21	_____	<i>Financial statements submitted to SCO; AJE's proposed.</i>	107

<i>Due Date</i>	<i>Date Completed</i>	<i>Task</i>	<i>Ref. Page #</i>
<i>Italics = closing; regular type = opening.</i>			
August 30	_____	Completion date for booking state controller approved rollforwards, all continuing capital construction appropriations and special bills.	55, 75, 209
September 13	_____	Deadline for booking FY02-03 Special Bills with FY02-03 spending authorizations.	60
September 23	_____	<i>Exhibit K due to SCO.</i>	158
September 30	_____	Accounts payable should be cleared.	82
September 27	_____	<i>Management's Discussion and Analysis due to SCO for Higher Education Governing Boards.</i>	107
September 30	_____	<i>Accounts Payable relating to FY01-02 should be cleared.</i>	82
November 8	_____	<i>Annual Travel Report turnaround forms due to SCO.</i>	245

## 1.3 Checklist for GASB 34/35 Implementation

<i>Start Date</i>	<i>Due Date</i>	<i>Date Complete</i>	<i>Task</i>	<i>Fund Cat.</i>	<i>Ref. Page</i>
<b><i>Tasks to complete before the beginning of FY01-02</i></b>					
4/1/01	6/1/01		Review the fund structure in the FY01-02 chart of accounts.	All	FPM-P322 G34- ¶63
4/1/01	6/22/01		Record the FY01-02 Long Bill using the revised chart of accounts with particular attention to the changes in transfer codes for annotation purposes.	All	FPM-P322 G34- ¶63
4/1/01	9/1/01		Establish and publish the planned condition level at which infrastructure assets reported under the modified approach will be maintained. (Department of Transportation only)	RX	FPM-Ch. 9 G34- ¶133b
4/1/01	9/1/01		For infrastructure assets reported under the modified approach, estimate the dollar amount of expenditures necessary to maintain that infrastructure at the planned condition level. (Department of Transportation only)	RX	FPM-Ch. 9 G34- ¶132b
<b><i>Tasks to be operational on July 1, 2001</i></b>					
7/1/01	Ongoing		Begin recording all activities using the appropriate accounting principles for the fund the activity has been assigned under the new GASB 34 fund structure. For example: <ul style="list-style-type: none"> <li>• Group Benefits Plans as a pension fund rather than an internal service fund,</li> <li>• Unemployment Insurance as an enterprise fund rather than an expendable trust</li> <li>• Higher Education as an enterprise fund</li> <li>• State Lands as a permanent fund rather than a nonexpendable trust fund</li> </ul>	All	FPM-Ch. 9 G34- ¶63-73, ¶138 G35- ¶5, 43
7/1/01	Ongoing		Record all transfers under the revised transfer coding in the FY01-02 chart of accounts.	All	FPM-P322, G34- ¶112a
7/1/01	Ongoing		Record any intrafund receivables and payable recorded throughout the year under the revised GASB 34 fund structure.	All	FPM-Ch. 9, G34- ¶58, 59, 112a
7/1/01	Ongoing		Code capital grants separately from operating grants. Capital grants should be recorded in revenue source codes 7430, 7530, 7630, 7730, or 7830.	All	FPM-Ch. 9 G34- ¶50
7/1/01	FY02 Close		Amortize premium/discount and gain/loss on debt refunding (debit/credit 6730, or 6740 and debit/credit balance sheet account 2801, 2806, 2803, 2807, or 2809.)	All	FPM-Ch. 9 G34- ¶146
7/1/01	Ongoing		Use revised coding to separate intrafund and interfund for disbursements of pass-through federal grants (object code 5770 and 5771) and state grants and contracts (object codes 5775 and 5776).	All	FPM-Ch. 9 G34- ¶48-50 Omnibus ED ¶10
7/1/01	Ongoing		Begin recording deferred revenue related to advances (revenue source code 250X) separately from deferred revenue related to long-term assets such as taxes receivable (revenue source code 2530).	All	FPM-Ch. 9 G34- ¶85
7/1/01	Ongoing		Begin recording restricted assets and related liabilities in a fund separate of the related operating fund for the activity. You may need to request that SCO create a new fund.	All	FPM-Ch. 9, P257 G34- ¶35
7/1/01	Ongoing		Record depreciable assets separately from nondepreciable assets (affects land improvements and art & historical treasures).	All	FPM-Ch. 9 G34- ¶116
7/1/01	Close of Period 9 FY02		Segregate existing depreciable land improvements and art & historical treasures from nondepreciable assets of the same type.	All	FPM-Ch. 9 G34- ¶116

<i>Start Date</i>	<i>Due Date</i>	<i>Date Complete</i>	<i>Task</i>	<i>Fund Cat.</i>	<i>Ref. Page</i>
7/1/01	Ongoing		Begin recording capital asset related debt separately from operating debt.	All	FPM-Ch. 9 G34- ¶33
7/1/01	Close of Period 9 FY02		Record accumulated depreciation as of June 30, 2001 in fund 471 for all general fixed assets. Higher education should complete the same task with the accumulated depreciation recorded in the plant fund.	All	FPM-Ch. 9 G34- ¶16
7/1/01	Ongoing		Begin recording the principal of permanent funds (nonexpendable portion) in a fund separate from the earnings or expendable portion of the permanent fund.	BX	FPM-Ch. 9 G34- ¶35
7/1/01	Ongoing		Begin coding additions to Permanent Funds to revenue source code 9525.	BX	FPM-Ch. 9 G34- ¶53 Q&A Q#123
7/1/01	Ongoing		Record bond premium proceeds (acct 7010) in an other financing revenue source code separately from bond proceeds, and track the premium in a separate balance sheet account (2801 or 2806) for future amortization.	Govt'l	FPM-Ch. 9 G34- ¶88, ¶146
7/1/01	Ongoing		Prepare to segregate at year end current liabilities (due within one year) from noncurrent liabilities (due after one year) for governmental funds. This requirement includes compensated absences.	Govt'l	FPM-P253 G34- ¶81-82 GFOA –2001 Bluebook P484
7/1/01	Close of Period 9 FY02 for the Acc. Deprec entries. Close of Period 6 for all other entries in this cell.		<p>Establish beginning balances in fund 471 for all modified to full accrual adjustments including: (Note that some of the items listed in this cell are include elsewhere in this checklist. They are repeated here to create a complete list of JA entries to fund balance that must be approved by SCO.)</p> <ul style="list-style-type: none"> <li>Existing deferred revenue (debit deferred revenue, credit fund balance)</li> <li>Accumulated depreciation (debit fund balance, credit accumulated depreciation)</li> <li>Bond premium/discount previously recorded as revenue in a governmental fund (debit fund balance, credit unamortized bond premium/discount or credit fund balance, debit unamortized bond premium/discount) (GASB 34 allows but does not require this entry. The same is true for deferred issuance costs and deferred gain/loss on debt refunding.)</li> <li>All long term liability balances in fund 472 (debit fund balance and credit individual liabilities in fund 471).</li> </ul> <p>Segregate existing capital and operating debt in this entry</p> <p>It is best to make these entries early in the year before any accruals are done so that current year activity is not inadvertently included in the fund balance entry. You should use fund balance account 3400 for all of these entries except the accumulated depreciation entry, which should be made using fund balance account 3800.</p>	Govt'l	FPM-Ch. 9 G34- ¶77
7/1/01	Close of Period 6 FY02		Close fund 472 by debiting liabilities and crediting amount to be provided. Establish long term liabilities in fund 471 by crediting individual liabilities and debiting fund balance (balance sheet account 3400).	Govt'l	FPM-Ch. 9 G34- ¶77
7/1/01	Ongoing		Begin using account type 23 for capital asset acquisitions of nonhigher education proprietary fund types.	EX, IX	FPM-P253 G34- ¶117
7/1/01	Ongoing		Begin recording proprietary fund type assets and liabilities in current and noncurrent accounts to support a classified statement of net assets.	EX, IX	FPM-P253 G34- ¶97
7/1/01	Ongoing		For internal service funds serving primarily governmental activities, begin recording internal service fund charges for services in the accounts that indicate the source of the revenue by program (revenue source codes 44XX). Also for internal service funds, record all external transactions in revenue class 440 (Non-program service fees) or in revenue source codes outside 44XX. This will allow SCO to exclude external transactions from the year end look back adjustment.	IX	FPM- G34- ¶59, 62, 85, 314

<i>Start Date</i>	<i>Due Date</i>	<i>Date Complete</i>	<i>Task</i>	<i>Fund Cat.</i>	<i>Ref. Page</i>
7/1/01	Close of FY02		Begin reporting scholarship allowances as a contra revenue account.	H.E. E1	FPM-Ch. 9 G34- Footnote #41 NACUBO G35 Q&A Q#79-87
7/1/01	Ongoing		Begin cross walking higher education indirect cost recoveries and expenses to COFRS as intrafund transfers, and ensure that they remain balanced.	H.E. E1	G34- ¶59 NACUBO G35 Q&A Q#14,41
7/1/01	Ongoing		Begin internal service fund accounting in fund 328 for higher education internal service activities using revenue and expense codes. Stop reimbursement accounting (that is, credits to expenditures accounts) for these activities.	H.E. E1	G34- ¶59 NACUBO G35 Q&A Q#14,41
7/1/01	Ongoing		Begin recording deferred compensation contributions segregated between member contributions (revenue source code 9531) and employer contributions (revenue source code 9532)	PX	FPM-Ch. 9 G34- ¶109
7/1/01	Close of FY02		Begin recording any current infrastructure additions.	RX	FPM-Ch. 9 G34- ¶148
7/1/01	Close of FY02		Record historical cost (or estimates) of all infrastructure assets back to FY80-81. (Not required by GASB until FY 2005-06, but the affected agencies expect to complete this task by the close of FY01-02.)	RX	FPM-Ch. 9 G34- ¶154
7/1/01	Close of FY02		Track capacity or efficiency enhancements that qualify for capitalization of infrastructure assets under the modified approach. Post entries to 471 to capitalize these assets and provide for elimination of the expenditure recorded in the governmental fund.	RX	FPM-Ch. 9 G34-- ¶148, Q&A Q#s-41, 58, 60, 61
3/1/02	Close of FY02		All state agencies need to review the balances in 1362/1363 and 1762/1764 to determine if their loans receivable are properly classified between current and noncurrent/long-term. Proprietary funds are required to segregate the balance into a current and noncurrent portion. Governmental funds are not required to segregate the balance between current and noncurrent, but they should record the loans in the account that best matches the nature of the loan.	All	G34- ¶97
3/1/02	Close of FY02		Higher education institutions need to begin coding/cross walking donations to the four accounts designed to support proper reporting on the SCRECNA and SCF. 6600 Donations Private-General, 6601 Donations Private-Endowment Additions, 6603 Donations Private-for Capital Assets, 6604 Donations Private-for Operations.	HE E1	G9- ¶16-27
3/1/02	Close of FY02		All state agencies that have issued Certificates of Participation need to reclassify the related balances, which were previously recorded as leases, to the new COP accounts 2608, 2808, and 2809.	All	Implem. Guide for G34 and Related Pronounc. Page 68
<i>Tasks to be done solely in FY01-02 closing process</i>					
7/1/02	Close of FY02		Provide information to the State Controller's Office on special and extraordinary items. An exhibit template will be included in the March 2002 Fiscal Procedures Manual.	All	FPM-Ch. 9 G34- ¶38, 56
7/1/02	Close of FY02		Accrue and balance intrafund and interfund receivables and payables under the revised GASB 34 fund structure.	All	FPM-P205, P273 G34- ¶58, 59
7/1/02	Close of FY02		Reclassify a portion of compensated absences as current. For governmental funds this entry is made in 471, and for all other funds, it is made in the fund that will make the payment.	All	G34- ¶31

<i>Start Date</i>	<i>Due Date</i>	<i>Date Complete</i>	<i>Task</i>	<i>Fund Cat.</i>	<i>Ref. Page</i>
7/1/02	Close of FY02		Governmental funds accrue compensated absence liabilities in the fund only to the extent that they are due and payable at June 30. Do not accrue amounts of known retirements that are due and payable in the following year. This is a change from the FY00-01 policy that is driven by the implementation of GASB Interpretation #6.	All	GASB Interpretation #6
7/1/01	Close of FY02		Record depreciation on all fixed assets (except infrastructure under the modified approach) for FY 01-02. This task can be done on a more frequent basis during the fiscal year at the agency's discretion.	All	FPM-Ch. 9 G34- ¶16
7/1/01	Close of FY02		Reclassify the unspent portion of capital bond proceeds and related premium/discount to noncapital debt. (Out of 2800 and 2801 and into 2805 and 2806.)	All	G34 - ¶33
7/1/02	Close of FY02		Clear all intragovernment receivables and payables of agency funds through cash before the close of Period 13.	AX	FPM-Ch. 9 G34- ¶111
7/1/02	Close of FY02		Accrue state risk management claims liabilities according to GASB Interpretation No. 6 in the Risk Management funds, which are to be reported as part of the General Fund. Since the claims have not matured, only the amounts due and payable at June 30 should be recorded in the Risk Management funds. Therefore no estimate of amounts payable within one year should be record in the funds. However, the entire remaining liability (including IBNR) should be recorded in fund 471 and be segregated between current and noncurrent liability accounts.	G1	FPM-Ch. 9 GASB INTERP. #6, G10- ¶64-68
7/1/02	Close of FY02		Higher Education institutions should reclassify restricted cash and restricted investments from the existing cash and investment accounts to 1034 and 1634. This entry will likely be done in fund 399. If restricted cash is held by the State Treasurer, the entry in 399 should not be to 1100 cash; instead, it should be made to another 10XX account. This will preserve the balancing of 100 cash with fund 995-Treasury Investment Offset. Nonhigher education agencies are not required to make this entry because they are required to account for restricted activities in a separate fund.	HE E1	G34- ¶99
7/1/02	Close of FY02		Higher education institutions need to reclassify fund balance accounts from 3400 to the four accounts set up to report restricted net assets. 3200-Externally Restricted Other, 3220-Restricted for Debt Service, 3230-Permanent Endowment Expendable, 3240-Permanent Endowment Nonexpendable. This entry is not required of nonhigher education agencies because they are required to account for restricted activities in separate funds.	HE E1	G34- ¶34, 35, 98
7/1/02	With FY02 Closing Exhibits		Report direct method cash flow information on Exhibit V for higher education at the governing board level. This information is not available on COFRS.	H.E. E1	FPM-P200 G34- ¶105
Close of FY02	With FY02 Closing Exhibits		Report higher education financial information (condensed SOA, SORECNA, direct method Cash Flows) on Exhibit T – Segment Reporting. This information is not available on COFRS.	H.E. E1	FPM-P196 G34- ¶122, 123

<i>Start Date</i>	<i>Due Date</i>	<i>Date Complete</i>	<i>Task</i>	<i>Fund Cat.</i>	<i>Ref. Page</i>
7/1/02	With FY02 Closing Exhibits		<p>Report to the SCO the following for infrastructure under the modified approach:</p> <ul style="list-style-type: none"> <li>Assessed condition level for the three most recently completed condition assessments.</li> <li>Beginning of the year estimate of the amount needed to preserve assets at the established condition level.</li> <li>The amount actually expended on preserving the asset for each of the past five years.</li> <li>Basis for the condition assessment and scale used to assess and report the condition level.</li> <li>The condition level at which the government intends to preserve the assets for FY03</li> <li>Factors that affect trends in the information reported in the bullets above.</li> </ul>	RX	FPM-Ch.9 G34- ¶132b, 133b, 148, 154



## CHAPTER 1: SECTION 2

### OPENING AND CLOSING CALENDAR

#### 2.1 Events Calendar

Note: Standard font represents opening events and *italic font* represents closing events.

Date	Event
March 2	FY02-03 table initialization completed - see Chapter 2, Section 1.3 for the list of tables to be initialized.
March 4	New year budget tables are available.
March 4	System available for input of FY02-03 pre-encumbrances and encumbrances into SUSF. There will be numerous errors that should clear when the FY02-03 appropriation and budget documents are processed. Please refer to Chapter 1, Section 4 for additional discussion of this issue.
March 4	Agencies may begin to submit changes to APP2 tables to their field accounting specialist, and begin to make changes on agency defined tables. Active and approved FY01-02 APP2 table entries were initialized over the weekend to reflect valid FY02-03 hierarchy.
March 4	Agencies may begin to delete FY02-03 CERT & ORGN entries. All deletions will be made prior to calendar year end.
March 4	New year prefix identifier '03' will automatically be available at this date. Agencies may change ADNT new year automatic document numbering prefix identifiers beginning on this date.
March 29	Begin nightly run of book process.
April 12	<i>Close of period 9 FY01-02.</i>
April 19	<i>Purchase requisitions for items not on a state contract or price agreement must be received by agency purchasing contacts to ensure delivery of goods and services by June 30.</i>
April 26	<i>Draft of invitations to bid must be to State Purchasing from Group I agencies.</i>
May 10	<i>Close period 10 FY01-02.</i>

March 2002							April 2002							May 2002						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
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May 10	<i>Purchase requisitions for items on a state contract or price agreement must be received by the appropriate purchasing agent to ensure delivery of goods and services by June 30.</i>
May 24	<i>Deadline to request changes to existing COFRS extracts.</i>
June 1	<i>Expired Warrants Selection Process runs and populates the EXPW table for agency review and posting of federal portion. See Chapter 3, Section 3.23.</i>
June 10	<i>Bank confirmations sent to confirm bank accounts. See Chapter 3, Section 5.17 for instructions and the bank confirmation form.</i>
June 14	<i>Close period 11 FY01-02.</i>
June 17	<i>Application Services responds to requests for weekly scheduling of existing COFRS extracts by this date.</i>
June 17	<i>Begin production of GNL21R for periods 1 through 11 of FY01-02.</i>
June 17	<i>All requests to cancel or reissue aged warrants from the EAP18R report must be submitted to SCO by this date to ensure processing prior to the expired warrant purge. See Chapter 3, Section 3.23.</i>
June 21	<i>Target date to have all revenue receiving appropriation codes for FY02-03 active in COFRS and to notify the Department of Revenue of coding string (see discussion in Chapter 2, Section 2.9).</i>
June 21	<i>Deadline for agencies' level 3 approvals on AP transactions needed to record the FY02-03 Long Bill.</i>
June 21	<i>Purge of aged warrants.</i>
June 24	<i>GNL21R available on INFOPAC only.</i>
June 24	<i>Reports on purge of aged warrants to be distributed.</i>
June 26	<i>Last possible day to freeze an inventory for year end adjustment.</i>

## March 2002

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## April 2002

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## May 2002

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## June 2002

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## July 2002

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## August 2002

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- June 24 *Last FY01-02 M1 payroll to be posted in nightly cycle to COFRS.*
- June 27 *Deadline to submit requests to SCO for the cancellation of FY01-02 warrants. All requests submitted by this date will be processed prior to month end. No FY01-02 warrants will be canceled after June 30 in FY01-02; they will be canceled in FY02-03. See Chapter 3, Section 3.23 for explanation of FY01-02 warrants canceled in FY02-03.*
- June 28 *Deadline for having FY02-03 Long Bill recorded, approved, and reconciled. Deadline for recording expense budgets to be active July 1.*
- June 28 *Run point-in-time reports. (See Chapter 1, Section 3.15).*
- June 28 *A physical inventory of consumable goods may need to be taken on or before this date. Refer to Chapter 3, Section 3.14 for discussion of this topic.*
- June 28 *For continuation of expiring capital construction project appropriations, all contracts must be effective on or before this date.*
- June 28 *A count of petty cash and change funds should be completed on this date.*
- June 28 *Treasury cash cutoff. Walk-in deposits must be at the State Treasurer's Office by 2:00 pm to be recorded in balance sheet account 1100 - Operating Cash for FY01-02.*
- June 28 *Wire or electronic fund transfers of depository account balances or federal fund drawdowns must be to the State Treasurer by close of business to have cash included in balance sheet account 1100-Operating Cash. (Amounts not transferred by this date must be in 10XX accounts and included on the agencies' Exhibit M.)*
- June 28 *All inventory module transactions must be closed by the close of business today. This includes the SR, CI, OC, TI, TR, IA, and SN documents. Please see Chapter 3, Section 3.14 for details.*
- June 29 *All year end reports (RYE) will begin to run on the revised schedule for the closing period (run nightly, weekly, monthly).*
- July 1 – July 31 *The document suspense file "SUSF" needs to be cleared daily of all FY01-02 rejects and documents that need approval. (See GNL15R weekly).*
- July 1 - July 31 *EAP05R Report (Unscheduled Payment Turnaround) needs to be reviewed daily for warrants being held due to vendors on hold or overspent appropriations. If overspent appropriations cannot be corrected, agency must request overexpenditure or transfer authority under the authority granted to the State Controller in CRS 24-75-105 to 110. See Chapter 3, Section 1.*

June 2002							July 2002							August 2002						
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July 1-12	<i>FYE02R and INV02R available on INFOPAC nightly.</i>
July 1	<i>FY02-03 period 1 open for all accounting transactions.</i>
July 1	<i>Last central payroll FY01-02 "999" payroll (schedule 906 payroll adjustments) to be posted in nightly cycle to COFRS.</i>
July 1	<i>State Controller's Office diagnostic reports available on INFOPAC. (See Chapter 3, Section 3.21)</i>
July 4	<b>STATE HOLIDAY</b>
July 5	<i>Overexpenditure reports will be available.</i>
July 5	<i>Last day to initiate IT's for period 12 close. Be sure to contact other agency in a timely manner. This does not include direct bill IT's. See related discussion of intra/interfund receivable/payables in Chapter 3, Section 5.28.</i>
July 8	<i>State Controller's Office diagnostic reports available on INFOPAC.</i>
July 9	<i>Deadline for processing IT document with higher education institutions including direct billing.</i>
July 9	<i>Last FY01-02 B1 payroll posted to COFRS (pay period beginning June 15).</i>
July 10	<i>Deadline to reissue expired warrants in FY01-02 from balance sheet account 2751.</i>
July 11	<i>Deadline to have FY01-02 CR documents approved by State Treasury (Treasury fax number 303-866-2123).</i>
July 12	<i>Deadline for submitting appropriation transfer and overexpenditure request forms.</i>
July 12	<i>Biweekly payroll for the pay period ending on this date will be the first recorded in FY02-03.</i>
July 12	<i>Last day to have FY01-02 encumbrance documents accepted on COFRS SUSF for encumbrances to automatically roll to FY02-03.</i>
July 12	<i>Deadline to have appropriation codes activated by an AP document (\$0 AP if necessary) so code will accept rolled forward encumbrance (EPS transactions).</i>
July 12	<i>Close of period 12 (non-higher education IT cutoff and PV cutoff.)</i>
July 12	<i>Clear all balances from balance sheet 2751 per Chapter 3, Section 3.23.</i>

June 2002							July 2002							August 2002						
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9	10	11	12	13	14	15	14	15	16	17	18	19	20	18	19	20	21	22	23	24
16	17	18	19	20	21	22	21	22	23	24	25	26	27	25	26	27	28	29	30	31
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July 12	<i>Target date to clear all default and clearing accounts. (These include the following balance sheet accounts: 1583-1599, 2510, 2520 and 2751).</i>
July 12	<i>Process run for modification and rollover of FY01-02 purchase requisitions and purchase orders.</i>
July 12	<i>Deadline to submit rollforward requests to State Controller (See Chapter 3, Section 2).</i>
July 12	<i>Deadline for booking FY01-02 Supplemental Bills and FY01-02 Special Bills with expenditure authorizations.</i>
July 12	<i>Deadline for entries to PORL table to lapse or roll EAP or EPS encumbrance documents (See Chapter 1, Section 4). System default is to roll.</i>
July 12	<i>Resolve intra/interfund receivable/payable issues related to Central Services billings with Audrey Aultman (phone 303-866-2433) by this date.</i>
July 12	<i>Last day to make entries to the PORA table to change coding for EPS encumbrance documents. Process run for the modification and rollover of FY01-02 purchase requisitions and orders into FY02-03.</i>
July 12	<i>Deadline for submitting appropriation transfer and overexpenditure request forms.</i>
July 12 – 26	<i>Initiate intra/interfund receivable/payable confirmations and refer disputed amounts to your field accounting specialist as early as possible in this period.</i>
July 15 – July 31	<i>Overexpenditure reports and SCO diagnostic reports will be available on INFOPAC on these business days.</i>
July 15	<i>Period 13 of FY01-02 open. Only JV's, JA's, TA's, AP's, EB's, TB's, FD's, DP's, FA's, and FC's may be processed.</i>
July 19	<i>Capital Construction CCCAS form for reversions due to SCO.</i>
July 19	<i>Capital Construction CCCAS forms to extend spending authority for expiring projects due to SCO, with the appropriate signed AP document screen print attached.</i>
July 23	<i>First FY02-03 B1 payroll posted to COFRS (pay period beginning June 29).</i>
July 24	<i>First FY02-03 M1 payroll posted to COFRS July 25.</i>
July 24	<i>All Highway User's Tax Fund and Tobacco Cash Fund Certifications are due to Treasury by 12:00 noon.</i>

June 2002							July 2002							August 2002						
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9	10	11	12	13	14	15	14	15	16	17	18	19	20	18	19	20	21	22	23	24
16	17	18	19	20	21	22	21	22	23	24	25	26	27	25	26	27	28	29	30	31
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July 26	<i>Final day to confirm intra/interfund receivable and payable balances. See Chapter 3, Section 5.23.</i>
July 26	<i>State Controller and OSPB to approve or disapprove all transfer and overexpenditure forms.</i>
July 26	<i>Bank confirmations should be received back from your financial institution by this date for the completion of risk classification on Exhibit M.</i>
July 31	<i>Period 13 of FY01-02 closes for agency input.</i>
August 1	<i>Period 13 of FY01-02 open for SCO input only. Only JA's, AP's and TA's may be processed.</i>
August 2	<i>FY01-02 final close.</i>
August 2	<i>Period 13 final close balances will be used as the basis for preparation of both agency statements and statewide general purpose financial statements.</i>
August 2	<i>Roll ending FY01-02 balance sheet balances as FY02-03 beginning balance complete with reporting categories and grant budget line breakdown. (See Chapter 1, Section 3.13 for more detailed discussion.)</i>
August 2	<i>Intra/Interfund Receivable/Payable Confirmation Forms due to SCO.</i>
August 5	<i>Begin production of final GNL21R for FY01-02 for distribution on microfiche and INFOPAC.</i>
August 5	<i>Deadline for overexpenditure letter for any approved overexpenditure.</i>
August 7	<i>SCO distributes variance analysis reports, and requests for response.</i>
August 9	<i>Target date for booking of State Controller approved rollforwards.</i>
August 9	<i>Final GNL21R for FY01-02 available on INFOPAC.</i>
August 9	<i>Close of period 1 FY02-03.</i>
August 9	<i>Turnaround uncommitted cash reserves reports are mailed to agencies.</i>
August 16	<i>CCCAS forms to reestablish capital construction continuing appropriation spending authority due to SCO.</i>

June 2002							July 2002							August 2002						
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9	10	11	12	13	14	15	14	15	16	17	18	19	20	18	19	20	21	22	23	24
16	17	18	19	20	21	22	21	22	23	24	25	26	27	25	26	27	28	29	30	31
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August 16	Cash reserves turnaround report due to SCO.
August 21	<i>Financial statements from all state agencies are due (see Chapter 3, Section 4 of these instructions for details on financial statements).</i>
August 21	<i>Agency Exhibit Listing and completed exhibits A1, A2, B, C, D, D1, D2, E, F1, F2, G, I, J, L, M, N, O, P, Q, R, S, T, U, and V due to SCO (see Chapter 3, Section 5 for details on exhibits).</i>
August 21	<i>Variance analysis responses due to SCO.</i>
August 26	All funds return to full appropriation control, except funds 471 and the higher education funds 311, 320, 321, 322, 323, 324, 325, 326, 327, 328, 330, 340, 350, 371, 372, 373, 374, 380, and 399.
August 30	Deadline for recording all capital construction continuing spending authority, approved rollforwards and target date for recording special bills in COFRS.
September 13	Close of period 2 FY02-03.
September 13	Deadline for booking FY02-03 Special Bills with FY02-03 spending authorizations.
September 20	<i>Issue General Purpose Financial Statements for June 30 (Limited Distribution).</i>
September 20	<i>Uncommitted Cash Reserves Report due to OSPB and JBC.</i>
September 23	<i>Exhibit K due to SCO.</i>
September 27	Management Discussion and Analysis (MDA) due from agencies/institutions issuing stand alone financial statements.
September 30	Accounts payable relating to FY01-02 should be cleared.
October 1	<i>SCO distributes Annual Travel report turnaround forms to agencies.</i>
October 11	Close of period 3 FY02-03.
October 11	Target completion date for booking restrictions for previous year overexpenditures.

June 2002							July 2002							August 2002						
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9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17
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September 2002							October 2002							November 2002						
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22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23
29	30						27	28	29	30	31			24	25	26	27	28	29	30

October 15	<i>State Controller receives state auditor opinion on GPFS.</i>
November 1	<i>Issue Schedule of Expenditures of Federal Awards.</i>
November 4	<i>Finalize Comprehensive Annual Financial Report (CAFR) with state auditor opinion.</i>
November 8	<i>Completed annual travel report turnaround forms due back to SCO with distribution of expense by source of funds.</i>
November 29	<i>Due date for State Controller's statutory loan and advance report.</i>
December 31	<i>Financial Responsibility and Accountability Act Statements due to State Controller.</i>
January 10	<i>Second quarter FY02-03 closing.</i>
April 11	<i>Third quarter FY02-03 closing.</i>

September 2002							October 2002							November 2002						
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December 2002							January 2003							February 2003						
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March 2003							April 2003							May 2003						
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## 2.2 Fiscal Procedures Manual Calendar

March 2002

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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April 2002

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May 2002

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2002

S	M	T	W	T	F	S
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July 2002

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2002

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2002

S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2002

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2002

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2002

S	M	T	W	T	F	S
1	2	3	4	5	6	7
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

January 2003

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2003

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						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March 2003

S	M	T	W	T	F	S
					1	
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April 2003

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May 2003

S	M	T	W	T	F	S
				1	2	3
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## CHAPTER 1: SECTION 3

### GENERAL OPENING AND CLOSING ISSUES

There are many issues to be discussed with the closing of one fiscal year and the opening of a new one. This section addresses issues of general interest.

#### 3.1 COFRS Reports

Report availability will be posted on the COFRS general message screen (GMSS). Contact the COFRS helpline at 303-866-6122 if you have questions on the distribution frequency for the standard COFRS reports during the fiscal year and at year end.

#### 3.2 Transaction Dating Data Elements

During the period from July 1 through the close of period 13, we will be operating in two fiscal years. In addition, you may record FY02-03 budgets and pre-encumbrance or encumbrance before July 1. See Section 4 in this Chapter for more information on pre-encumbrance and encumbrance. Required data elements for each transaction during this period are the budget fiscal year, transaction date, and accounting period. This coding is essential to ensure that transactions are posted to the proper fiscal year and must be recorded on each transaction. Careful thought should be given to assigning the correct fiscal year to transactions processed during this period. Below is an example of how transactions should be dated for FY01-02 and FY02-03:

FY01-02:

Date = 06 30 02

Accounting Period = 12 02, or 13 02

Budget FY = 02

FY02-03:

Date = 07 XX 02, or 08 XX 02

Accounting Period = 01 03, or 02 03

Budget FY = 03

#### 3.3 Assignment of Transaction ID Numbers

DOAC/COFRS Alert #9 promulgates the policy mandating the use of the automatic document numbering feature in COFRS for the assignment of document identification numbers on transactions. In order to be able to separately identify various transactions in the system while still utilizing this mandated feature, agencies have the option of establishing document prefixes. The COFRS helpline staff have the ability to establish prefix identifiers in the ADNT table and will do so based on a telephone request from an agency. The prefix identifier "03" will automatically be available beginning March 4.

Once a prefix is established, the user simply enters the prefix in the first characters of the document ID field and then enters a pound (#) sign. COFRS then automatically assigns a document ID number with the beginning prefix. If you need additional prefix identifiers or wish to extend the use of current prefix identifiers into the next fiscal year, call or write the COFRS helpline. This ability to request prefix identifiers over the phone supersedes the process explained in SYAD Bulletin #87.

### 3.4 Properly Recording Fiscal Year Revenue

The recording of cash receipts and revenues in the proper fiscal year is extremely important for accurate financial statements and cash reconciliation. Departments should review COFRS reports to make sure both FY01-02 and FY02-03 receipts and revenue are recorded in the proper fiscal year. See Chapter 1, Section 3.2 for transaction dating discussion.

### 3.5 Specifying Vendor and Subrecipient Relationships in Contracts

If a contract involves the disbursement or receipt of federal funds, you should pay special attention to the coding and reporting of those funds. Such contracts may result in either a subrecipient or vendor relationship between the parties involved. When the transaction is between state agencies it is important that the parties code the transaction similarly. In general, the language in the contract specifying the party's responsibilities determines the type of relationship involved. When a subrecipient relationship exists, the state's Contract Procedures and Management Manual requires specific language to be included in the contract. Please refer to that manual for details.

OMB Circular A-133 defines subrecipient as, "Subrecipient means a non-Federal entity that expends federal awards received from a pass-through entity to carry out a Federal program, but does not include an individual that is a beneficiary of such a program. A Subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency." Section .210 of OMB A-133 provides guidance on making the subrecipient versus vendor determination. It states:

Characteristics indicative of a Federal award received by a subrecipient are when the organization:

1. Determines who is eligible to receive what Federal financial assistance;
2. Has its performance measured against whether the objectives of the Federal program are met;
3. Has responsibility for programmatic decision making;
4. Has responsibility for adherence to applicable Federal program compliance requirements; and
5. Uses the Federal funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity.

Characteristics indicative of a payment for goods and services received by a vendor are when the organization:

1. Provides the goods and services within normal business operations;
2. Provides similar goods or services to many different purchasers;
3. Operates in a competitive environment;
4. Provides goods or services that are ancillary to the operation of the Federal program; and
5. Is not subject to compliance requirements of the Federal program.

Section .210 also speaks to the use of judgment in making the determination as well as a recipient's responsibility for for-profit subrecipients and vendor compliance.

The following table specifies the accounting and reporting treatment for subrecipient/vendor transactions. See Chapter 3, Section 5.15 for Exhibit K reporting requirements.

	DISBURSOR	RECIPIENT
<b>Vendor Relationship Contract</b>		
	Code payments using object code indicating type of good or service purchased. Report expenditure on Exhibit K. Disburser is responsible for ensuring that expenditure is an allowable cost.	Code receipts using revenue source code indicating type of good or service sold. Do not report on the Exhibit K.
<b>Subrecipient Relationship Contract</b>		
With Another State Agency	Code disbursement using object code 5770 – Pass thru Fed Grant Intrafund or 5771- Pass thru Fed Grant Interfund. Report on the Exhibit K. In general, disburser is responsible for determining if recipient is a qualified recipient and for monitoring if recipients expenditures are allowable costs.	Code receipt using revenue source code 7501-7523-Fed Grant/Cont-Subrecip-(Dept.). Higher education institutions feed to revenue source code 7500. Do not report on Exhibit K. Recipient is responsible for helping disburser comply with grant requirements.
With a Non-State Entity	Code disbursement using object code 51XX- Intergovernmental Grants or 5781-Grants to Non-Gov/Organizations. Report on the Exhibit K. In general, disburser is responsible for determining if recipient is a qualified recipient and for monitoring if recipient's expenditures are allowable costs.	Code receipt using revenue source code 7500-Fed Grant/Cont-Subrecipient-Other. Report on the Exhibit K. Recipient is responsible for helping disburser comply with grant requirements.

### 3.5.1 Pass-through Entity Notification

State agencies that receive federal assistance from pass-through entities should review the requirements of OMB Circular A-133 for notification of audit results. A-133 requires subrecipients to notify pass-through entities of the results of the subrecipients' A-133 audit whether or not there were audit findings or updates to prior audit findings related to the pass-through assistance. If there were audit comments or updates to prior audit findings, a state agency must send to the pass-through entity a reporting package containing the following four items:

- ♦ Financial statements and schedule of expenditures of federal awards
- ♦ Summary schedule of prior audit findings
- ♦ Auditor's report
- ♦ Corrective action plan

These four items are included in the Office of the State Auditor Single Audit Report. When no findings or updates to prior audit findings related to the pass-through assistance occur, a state agency may notify the pass-through entity of that fact in writing or send the pass-through entity a copy of the reporting package. You can find the text of OMB Circular A-133 on the Internet at: <http://www.whitehouse.gov/WH/EOP/OMB/html/circular.html>

### 3.6 VEND Table

Please be sure to follow all procedures issued by SCO that ensure that the vendor you are adding is not already on the file. Vendor file procedures are located in Appendix C of the 1099 Reporting Guide available on the SCO website. Make sure all data you are entering is valid. Changes to vendor information will be processed in a timely manner by SCO. Please make sure your request for vendor changes is supported by adequate documentation, is signed, and includes your phone number in case we need to call you for additional information.

**3.7 Program Codes**

Program codes are not required for colleges and universities for statewide financial statement reporting purposes. Program codes are used by colleges and universities for management reporting purposes. Questions regarding program codes for non-higher education agencies should be directed to your OSPB analyst.

**3.8 Presence Budgetary Control**

Until August 26 all funds in the COFRS system will be set at presence control for budgetary purposes. If an agency needs to process a payment before budget is recorded (from the Long Bill, a special bill, a federal grant, nonappropriated, or on-going capital construction project), they may activate an appropriation code with a \$0 appropriation transaction and record the expenditure. On August 26, all funds will be placed on "full control" except for funds 471, 311, 320, 321, 322, 323, 324, 325, 326, 327, 328, 330, 340, 350, 371, 380, and 399. After this date adequate budget must be recorded to generate a warrant.

**3.9 COFRS Hours of Operation**

COFRS availability will be posted on the COFRS general message screen (GMSS). In addition, the message on the helpline answering machine will provide the most current information on that weekend's hours of operation. Please call 303-866-6122 before leaving for work to ensure the system is available on that weekend. The system will not be available on the weekends of period 12 and 13 closing.

**3.10 Cash Adjustments on Journal Adjustment Transactions (JA's)**

Any JA resulting in a net change to the total book balance of the state's cash must be sent to the State Treasurer's Office for level 5 approval. These transactions include:

- ♦ Recording of investments and/or dis-investments of Treasury cash.
- ♦ Cancellation or re-issuance of warrants requiring a JA (warrants that are no longer on the OPVL and OPVH tables).
- ♦ Other actions that require adjustments in the total book balance of the state.

All other JA transactions should be sent to your field accounting specialist.

**3.11 Loans and Advances**

Prior to year end close, please review all negative balance sheet code 1100 cash account balances for your agency, except for funds 100, 310, 461, and 600, to determine if loan/advance approvals are current and for the correct amount. A statewide report of all outstanding loans and advances is prepared at the end of the fiscal year to compare approved loans/advances to actual balances. Refer to Chapter 5, Section 4 of these instructions for policies and procedures for applying for a loan/advance.

**3.12 Dating of Warrants**

All payment vouchers that are accepted in COFRS and recorded on the scheduled payment report (EAP04) as of June 27 will create a warrant (AD transaction) dated June 30. The total of these warrants will be included in the balance of the Warrants Payable Account (balance sheet account 2000) for FY01-02. All payment vouchers entered and accepted in COFRS and recorded on the scheduled payment report (EAP04) after June 27 will create warrants (AD transactions) dated after June 30. The total of these warrants will be included in the balance of the Warrants Payable Account (balance sheet account 2000) for FY02-03.

**3.13 Ledgers Rolled after FY01-02 Final Close**

Following FY01-02 final close on August 2, beginning FY02-03 balance sheet account balances will be established on the FY02-03 online ledgers based on the FY01-02 final balance sheet balances. You will receive two reports (FYE07R1-Ending Summary Trial Balance By Agency Within Fund and GNL21R1-Year-To-Date Detail General Ledger by Agency Within Fund) giving you ending and beginning balances by fund, agency, and account. Beginning FY02-03 account balances will be reflected on the July 2002 (FY02-03 period 1) month end closing reports. The coding items that will be carried forward are fund, agency, balance sheet account, grant budget line, and reporting category. The GNL21R report for FY01-02 periods 1-13 will be available in INFOPAC on August 9.

**3.14 Pre-Audit Sensitive Account Codes**

There are a number of account codes that are particularly audit and reporting sensitive. An example is travel object codes that are reported in a separate report by SCO to the Legislature by in-state, out-of-state, and international travel breakouts. Another example is the accounts receivable balance sheet codes that are reported by SCO by various predefined receivable categories. A third example is the proper use of revenue source codes to appropriately classify revenues in accordance with the provisions of the TABOR amendment. Accounts of this nature should be carefully reviewed for proper classification prior to close.

**3.15 Point-in-Time Reports**

There are three reports (FYE04R1, R2, and R3) that provide subsidiary detail and balances for the following three balance sheet control accounts:

- ♦ Billed Accounts Receivable (account 1330) - FYE04R1
- ♦ Vouchers Payable (account 2100) - FYE04R2
- ♦ Warrants Payable (account 2000) - FYE04R3

On June 28, COFRS will produce these three “point-in-time” reports. This subsidiary detail will be as of the close of business for that day and month (calendar basis). These calendar month end reports are intended to be used by agencies to reconcile and analyze these three system accounts prior to the actual close. FYE04R2 is unique in that it is also an accounting period report and will be produced for the close of periods 12 and 13. There will be a GNL19R report produced as a calendar month end report for reconciliation purposes.

**3.16 COFRS Fiscal Year Document Closing Table**

The following are the last dates for processing COFRS transactions for FY01-02. Questions about the closing dates should be directed to Alan Boisvert at 303-866-3894.

FISCAL YEAR DOCUMENT CLOSING TABLE (FYDC)

TRAN ID	TRANSACTION DESCRIPTION	LAST DATE OPEN
CI	Stock issue confirmation	June 28
IA	Physical inventory adjustment	June 28
OC	Over the counter	June 28
SN	Stock return	June 28
SR	Stock requisition	June 28
TI	Stock transfer issue	June 28
TR	Stock transfer receipt	June 28
CR	Cash receipt	July 12
CX	Check cancellation	July 12
IN	Invoice	July 12
IT	Interagency	July 12
MW	Manual warrant	July 12
OE	Open end purchase order	July 12
PB	Payroll voucher	July 12
PC	Central purchase order	July 12
PD	Departmental purchase order	July 12
PG	Price agreement release	July 12
PO	Purchase order	July 12
PV	Payment voucher	July 12
RB	Revenue budget	July 12
RQ	Requisition	July 12
RX	Standard EPS requisition	July 12
SC	Service contract	July 12
WR	Warrant reconciliation	July 12
JV	Journal voucher	July 31
EB	Expense budget	July 31
TB	Expense budget transfer	July 31
DP	Fixed asset depreciation	July 31
FA	Fixed asset acquisition	July 31
FC	Fixed asset modification	July 31
FD	Fixed asset disposition	July 31
AP	Appropriation	August 2
JA	Adjusting journal voucher	August 2
TA	Transfer of appropriation	August 2



## CHAPTER 1: SECTION 4

### ENCUMBRANCE ISSUES

#### KEY DATES

March 4	New year tables and encumbrance transactions available for modification and input.
July 12	Last day to have FY01-02 encumbrance transactions accepted into COFRS for encumbrances to automatically roll into FY02-03.
July 12	Last day to make entries to the PORL table to lapse or roll EAP or EPS encumbrance documents. System default is to roll the encumbrance amount into the new fiscal year.
July 12	Last day to make entries to the PORA table to change coding for EPS encumbrance documents. Account coding changes for non-EPS documents may be made directly in the rollover document from the suspense file. Process run for the modification and rollover of FY01-02 purchase requisitions and orders into FY02-03.

This section identifies several issues with pre-encumbrance and encumbrance transactions for both the close of the old fiscal year and the opening of the new fiscal year. These issues include: (1) recording new year pre-encumbrances and encumbrances prior to the opening of the new fiscal year, (2) encumbering for contracts prior to the opening of the new fiscal year, and (3) the modification and roll of pre-encumbrances and encumbrances.

#### 4.1 New Year PO's and RQ's (Appropriation Booked)

There is a need to process purchase requisitions (RX and RQ documents) and purchase orders (PC, PD, PG, SC, OE, and PO documents) for the upcoming fiscal year before the year is open on the fiscal year (FSYR) and accounting period (APRD) tables. All document processors for the previously mentioned transactions have been modified to allow future fiscal year transactions when the following conditions have been met (see SYAD Bulletin #249 for additional discussion):

- ♦ All budgetary and account coding necessary for the encumbrance to accept are in place and active in COFRS and the coding on the document is accurate. This includes, but is not limited to, appropriation codes, expense budgets, grant validations, organizations, sub-objects, etc.
- ♦ The accounting period on the document is the first accounting period in the future fiscal year (i.e., 01 03). **Accounting period is a required field on all future fiscal year documents.**
- ♦ The fiscal year on the document is the soon to be opened fiscal year; purchase orders cannot be placed two years in advance. **Fiscal year is also a required field on the future fiscal year documents.**

If the above conditions are met, COFRS will accept the document and will also print the EPS purchase order form for mailing to the vendor. Each EPS purchase order that is printed prior to the opening of the new fiscal year will have printed in the space reserved for SPECIAL INSTRUCTIONS the following message: "Goods are not to be delivered or invoiced prior to July 1."

#### **4.2 New Year PO's and RQ's (Appropriation Not Booked)**

Agencies may input FY02-03 purchase requisitions (RX and RQ documents) and purchase orders (PC, PD, PG, SC, OE, and PO documents) prior to the beginning of FY02-03 without the budgetary and account coding being in place and active in COFRS. However, these transactions will show error messages.

In each nightly cycle COFRS attempts to process all purchase order and purchase requisition documents on reject-hold status. If all errors are cleared and the transaction has a third level approval, the transaction will accept during this nightly cycle process and the EPS purchase orders will print. This process saves the users from having to quick edit the documents each day. If the transaction is not approved and/or still has errors, the transaction will not accept.

Some common error messages that you may experience on these transactions for future fiscal years that do not have active budgetary or account coding are listed below:

- ♦ BUFRE - RECORD NOT FOUND ON AFSI
- ♦ BUFFE - RECORD NOT FOUND ON APPI
- ♦ CO69E - DOC PROCESSING BYPASSED

There may be more error messages depending on the combination of date, accounting period, budget fiscal year and account coding used on a particular transaction.

If the transaction is not accepted and the vendor requires a PO number, agencies may use the document number of the rejected COFRS transaction to get the PO number for the vendor. That number will stay with the document until it is approved and processed through COFRS.

The State Controller has also authorized the Division of Purchasing to accept agency purchase requisitions prior to July 1 without the necessary COFRS approvals. Agencies may forward rejected RX and RQ documents to the Division of Purchasing so that purchase commitments for goods and services will be in place July 1. The agency controller or chief financial officer must sign as an approver on the rejected RQ's or RX's in this process.

#### **4.3 Instructions for Encumbering FY02-03 Contracts Prior to July 1**

During the period from March 4 to June 30, if an agency has appropriations that have been signed into law and these budgets have been recorded in COFRS, the agency may enter FY02-03 encumbrance documents into COFRS for the amounts required to be encumbered for FY02-03 contracts. When edited and ready for approval, forward these encumbrance documents with the contracts for approval. As soon as the contract is approved and executed by the State Controller's Office or a designee delegated to sign contracts for the State Controller, these documents may be approved and recorded against the agency's FY02-03 appropriations.

If an agency does not have FY02-03 appropriations recorded on COFRS at the time that a FY02-03 contract is being routed for approval, they may enter an encumbrance document into COFRS and forward the contract and the edited encumbrance document containing its errors for review and approval. When the contract is approved by the State Controller's Office, the encumbrance document will be quick edited to eliminate any errors that are no longer valid. If the

encumbrance document is ready for approval, it will be approved and scheduled when the contract is signed by the State Controller's Office.

If the encumbrance document still contains errors, the contract will be signed and executed by the State Controller's Office. A copy of the encumbrance document will be kept by the contract approver. A letter will be attached to the contract that informs the agency that the contract is approved but the encumbrance document must be valid as of July 1. If the document still does not accept on July 1, the agency will have to invoke the thirty day clause to cancel the contract with the vendor. The State Controller's Office will audit rejected encumbrance documents on July 1 to ensure compliance with this procedure.

#### **4.4 Modification and Rollover of FY01-02 Purchase Requisitions and Purchase Orders**

By policy, all encumbrances and pre-encumbrances will lapse at the close of a fiscal year. However, encumbrances may be rolled into the new fiscal year through COFRS' automated rollover process. There is no automated process to rollover pre-encumbrances; agencies must manually re-enter those transactions if they wish the pre-encumbrance to be recorded in the new fiscal year. During the processing for period 12 close on July 12, all FY01-02 purchase requisitions and purchase orders will automatically be modified to zero. All purchase requisitions (both RQ and RX) will remain at zero. Agencies may request that COFRS rollover purchase orders into the new year.

**Some errors still occur in this modification and roll process. These errors are primarily due to coding problems that are under the control of the agencies. Examples include appropriation codes not being active, expense budgets not being active, missing GVAL entries, grants closed, etc. It is essential that agencies do everything possible to ensure that the codes necessary to roll encumbrances into the new year are active and available. Errors in the roll process require a significant amount of effort and time to correct and should be avoided if at all possible.**

The process to roll encumbrance documents for agencies using EPS and for non-EPS agencies has some common elements and some differences. Those common elements and differences are discussed below.

##### **Common Elements to Both Processes:**

The Purchase Order Roll Table (PORL) lists every open purchase order on the open item tables: OPPH and OPPL for EPS documents/OPOH and OPOL for non-EPS documents. These tables are organized by budget fiscal year, agency and purchase order number. Agencies have the opportunity to determine which purchase orders will rollover and which will lapse. This is accomplished as follows.

**Lapse --** To lapse a purchase order enter an "L" (lapse) in the ROLL ACTN field on the PORL table. Lapsed purchase order documents will be reduced to zero in the old year, thereby reducing the encumbrance and reserve for encumbrances. The system will not generate new year purchase order transactions.

**Roll --** To roll a purchase order enter either an "R" (roll) in the ROLL ACTN field on the PORL table or leave the field blank. Since the system-wide default is to roll purchase orders, leaving the field blank is the simplest option. The process for generating the new year transaction is different for EPS than for non-EPS and is discussed below.

The system will automatically lapse any purchase order if the vendor associated with that purchase order is on hold. System edits will block any attempt to enter an "R" in the ROLL ACTN field on the PORL table if the vendor is on hold. A vendor hold indicator is on the PORL table for reference.

Two reports are generated by the modification and roll process. FYE01 reports all pre-encumbrances that were modified to zero by the system. It reports both RQ and RX transactions. FYE02 reports the disposition of each open FY01-02 encumbrance document (PC, PD, PG, PO, OE and SC). This report indicates whether the document has lapsed or rolled.

A daily version of FYE02R (Report ID = FYE02RYE) will be available on INFOPAC July 1-12. This report should be reviewed often to assist in determining the purchase orders that will roll and those that will lapse. The report will be generated every night until all of the FY01-02 purchase orders have been closed.

FYE02R will be generated the night of July 12. This is the version of the report that will be stored on INFOPAC for five years. The daily version will be archived off of INFOPAC on a weekly basis.

#### **Unique Features for Extended Purchasing Agencies:**

The EPS purchase order roll process will be as follows:

1. The system will read the "ROLL ACTN" field on the PORL table. If the purchase order is marked to lapse, a zero dollar payment voucher will be created and processed through COFRS in the old year. These documents will accept automatically without any action from agency personnel. The document number will begin PV 999. The actual PV number will appear on FYE02.
2. If the purchase order is to roll into the new year, the system will create a roll over transaction (RO). This transaction is created and posted to the document suspense file (SUSF). If the necessary budget and account coding are in place and active, the RO transaction will accept automatically without action from agency personnel. If the coding is not in place and active, the RO will reject. The RO is not included in any security group that would allow a user to change or delete the document. So to correct the errors, the agency must establish the account coding that exists on the rejected RO document (i.e., activate an appropriation code, create a GVAL entry, process an expense budget, etc.). After that is completed, the agency contacts Kay Weber at Application Services (303-866-6161) to get the transaction processed.

If an EPS agency wishes to change the coding on an encumbrance, the change must be made prior to the roll process. These changes can be accomplished by using the EPS purchase order roll account code table (PORA). Entries into PORA must be completed prior to July 12. The process to change an account code is as follows:

- ♦ Go to the PORA table. This table displays all open EPS purchase order documents including the detail account codes.
- ♦ There are two account code lines for each purchase order. The first line is the codes on the purchase order as it is in the system in the old year. This information comes from the open purchase order line table (OPPL). This set of codes is protected and cannot be changed.

- ♦ The second line is initially blank. To change the encumbrance account coding for the new year, the new account coding string must be entered in this second line. If any code is being changed in the string, the whole string must be entered here.
  - ♦ The purpose of this table is to change account codes on existing lines. The table is not designed for, nor will it allow for, splitting an existing accounting line into multiple lines.
  - ♦ The old codes will be used to modify the old year encumbrance to zero. The new codes will be validated against new year codes and the new codes will appear on the OPPL table after the roll process is completed.
  - ♦ All codes entered on the new year line on PORA must be valid in the new fiscal year. For example, if a new appropriation code is entered, it must already be on the APP2 table for the new fiscal year. In order for the RO transaction to process, the appropriation code must be activated by an AP transaction. The AP transaction must be processed before the roll occurs on July 12. The RO transaction edits will look for active appropriation codes.
  - ♦ The system will read the PORA table during the roll process to determine if there are any changes in the account code structure. Since the system needs the new structure on July 12, the changes MUST be identified and entered onto PORA before July 12. Changes made after that date will not be taken into account in the roll process.
  - ♦ A flag has been added to the PORL table that indicates a change to the account codes has been made on PORA.
3. For all PG (price agreement) documents on the PORL table, a valid entry must exist on the PASM (price agreement summary) table and the PAVC (price agreement vendor/commodity) table in FY02-03 in order for the RO document to accept in the new year. If the price agreement on the FY01-02 PG is not valid in FY02-03, the PG document should be flagged to lapse (L) on the PORL table and a new PG document entered in FY02-03 for the new price agreement. Without valid entries in PASM and PAVC, the RO will reject.
  4. All EPS purchase order documents and their disposition will be reported on the FYE02 report.

#### **Unique Features for Non-Extended Purchasing Agencies:**

The roll/lapse of non-EPS documents (PO only) works essentially the same as for extended purchasing documents with some subtle differences.

1. The system will read the "ROLL ACTN" field on the PORL table. If the purchase order is marked to lapse, a modify purchase order document will be created and automatically accepted through COFRS. The agencies do not have to do anything to get the old year transactions to process, unless there is an error of some type. These modify transactions will be batched. The Batch ID will be identified with the term "old" as the first three characters of the batch number. Agencies need to review the COFRS suspense file (SUSF) on the first Monday after period 12 close to determine if all modify transactions in "old" batches have accepted.

2. If the purchase order is marked to roll, the system will perform a series of functions:
  - ♦ Create a modify transaction for the old year as discussed immediately above.
  - ♦ Purge the open item tables (OPOH and OPOL) of all coding for transactions that will roll into the new year. This is done so that the new transaction can be processed and posted to the tables. Historical information such as previous references will be lost. The purge is necessary so that new transactions with the same document ID will accept. (The system cannot handle duplicate records.)
  - ♦ Create new year transactions that are identical to the PO that was just lapsed. These new year transactions will be batched and can be identified by the term “new” as the first three characters of the batch number. These transactions will be posted unapproved to SUSF and made available for agency action.
3. Agency staff can then go to SUSF, call up the document, and make any changes that may be required and approve the document. The transaction will be processed as any other PO transaction. Once the new transaction is accepted, the OPOH and OPOL table records will be created in the normal manner. Once again, there will be no historical information on the table. The system views this as a totally new record. If it is determined that the PO is no longer needed, it can be deleted as any other unprocessed document.
4. All open non-extended purchasing purchase order documents and their disposition will be reported on the FYE02 report.